

MELODY A. KRAMER, SBN 169984
KRAMER LAW OFFICE, INC.
9930 Mesa Rim Road, Suite 1600
San Diego, California 92121
Telephone (858) 362-3150
mak@kramerlawip.com

J. MICHAEL KALER, SBN 158296
KALER LAW OFFICES
9930 Mesa Rim Road, Suite 200
San Diego, California 92121
Telephone (858) 362-3151
michael@kalerlaw.com

Attorneys for Plaintiff JENS ERIK SORESENSEN,
as Trustee of SORESENSEN RESEARCH AND
DEVELOPMENT TRUST

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

JENS ERIK SORESENSEN, as Trustee of
SORESENSEN RESEARCH AND
DEVELOPMENT TRUST,

Plaintiff

v.

LEXAR MEDIA, INC., a Delaware
Corporation; and DOES 1 – 100,

Defendants.

and related counterclaims.

) Case No. 08 cv 00095 JW

)

) **PLAINTIFF'S NOTICE OF**

) **RELIANCE ON VERBAL**

) **INSTRUCTIONS FROM COURT**

) **CLERK RE AMENDMENT OF**

) **ORDER AT DOCKET #62**

)

) Date: September 8, 2008

) Time: 9:00 A.M.

) Courtroom 8, 4th Floor

) Judge: The Hon. James Ware

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)

1 Plaintiff JENS E. SORESENSEN, as TRUSTEE OF THE SORESENSEN
2 RESEARCH AND DEVELOPMENT TRUST (“SRDT”), hereby gives notice to the
3 Court:

4 1. Correcting the reference in the Court’s Order at Docket #62 stating that
5 Plaintiff had failed to file an ordered supplemental brief, even though Plaintiff had
6 timely filed said brief;

7 2. Explaining Plaintiff’s reliance on verbal instructions from Judge Ware’s
8 clerk to not file additional briefing set by the Court in the Order at Docket #62
9 (“Order”); and

10 3. Subsequent filing of additional briefing based upon Defendant’s filing
11 of additional briefing under Docket #62.

12
13 **FACTUAL SUMMARY**

14 On June 30, 2008, the Court ordered the parties in this case to simultaneously
15 file supplemental papers on Plaintiff’s Motion to Apply a Presumption of
16 Infringement on August 29, 2008.

17 On August 29, 2008, both parties filed supplemental papers as required by the
18 Court at Docket Nos. 54 through 61, including motions to file certain supporting
19 papers under seal by both sides.

20 On September 3, 2008, the Court Clerk issued an order continuing the hearing
21 on Plaintiff’s Motion to Apply a Presumption of Infringement, erroneously stating
22 that “to date, Plaintiff has yet to file its supplemental brief as required by the Court.”
23 Docket #62, page 24-25.

24 Plaintiff had filed its supplemental brief as required by the Court on August
25 29, 2008, at Docket #58, with courtesy copies, and lodged documents with a Motion
26 to File Under Seal (Docket #60) were sent by Federal Express to the Court on that
27 same date. See Docket #58, and related Docket #60.

1 Immediately upon receipt of the Docket #62, Plaintiff's counsel, Melody
2 Kramer, called Judge Ware's chambers and spoke with Elizabeth Garcia. Ms.
3 Kramer advised Ms. Garcia that Plaintiff had, in fact, timely filed its supplemental
4 briefing and supplied the docket number. Ms. Kramer further advised Ms. Garcia
5 that Plaintiff had also sent courtesy copies to the Court. Ms. Garcia came back on
6 the phone after a few minutes and confirmed that Plaintiff's Supplemental Brief was
7 timely filed and acknowledged receipt of the courtesy copies. Ms. Garcia explained
8 that the Order had been prepared before she had seen them. *Kramer Decl.* ¶ 4.

9 Ms. Garcia then advised that due to the fact that Plaintiff had timely filed its
10 supplemental briefing, no further briefing should be filed, but that the hearing date
11 was still changed. Ms. Kramer understood this to mean that neither Plaintiff nor
12 Defendant were to file any further papers on this motion, and advised Defendant's
13 counsel of the same via email. *Kramer Decl.* ¶ 5.

14 Ms. Kramer presumed that an amended order would issue to supercede Docket
15 #62, though Ms. Garcia made no mention of it. Ms. Kramer did not receive any
16 response from Defendant's counsel regarding the matter, and thus presumed that
17 they had no different understanding than Plaintiff had. *Kramer Decl.* ¶ 6.

18 Having not received any amended order, on September 8, 2008, Ms. Kramer
19 again called Judge Ware's chambers to confirm that no further briefing was to be
20 filed, and asked whether an amended order would be filed. Ms. Garcia talked with
21 Ms. Kramer again and explained that in light of finding that Plaintiff had timely filed
22 its supplemental briefing on August 29th, Plaintiff was not to file any additional
23 briefing on September 5th, but that Defendant was still allowed to file a reply brief
24 responding to Plaintiff's supplemental briefing. Ms. Kramer inquired why
25 Defendant would be allowed to respond to Plaintiff's supplemental briefing, but not
26 provide an equal opportunity for briefing by Plaintiff? Ms. Garcia was unsure. Ms.
27 Garcia explained that this was her understanding. *Kramer Decl.* ¶ 7.

1 Ms. Garcia forwarded Ms. Kramer to the head clerk's voicemail, and Ms.
2 Kramer left a voicemail message with the same inquiry. As of the filing of this
3 Notice, no return phone call had been received by Ms. Kramer and no corrected
4 order has been filed. *Kramer Decl.* ¶ 8.

5 After 10 p.m. on September 8th, Defendant Lexar filed a Response to
6 Plaintiff's Supplemental Brief, even though Defendant's counsel knew that
7 Plaintiff's counsel was of the understanding that the further briefings in the Order
8 were not to occur, and without advising Plaintiff's counsel of their intent. *Kramer*
9 *Decl.* ¶ 9.

10
11 It is inequitable to allow Defendant to respond to Plaintiff's Supplemental
12 Briefing, but to not allow Plaintiff to also respond to Defendant's Supplemental
13 Briefing filed the same day. Further, it goes against the normal practice of allowing
14 the moving party to have "the last word" by filing a reply brief to an opposition.

15 Plaintiff hereby requests that the Court (1) correct the Order at Docket #62 to
16 confirm that Plaintiff did timely file Plaintiff's Supplemental Brief on August 29,
17 2008 in accordance with the prior order of this Court; and (2) to either disregard
18 Defendant's extra briefing filed on September 8th (Docket #64 and #65) or grant
19 leave for Plaintiff to file a brief responding to Defendant's Supplemental Brief filed
20 on August 29, 2008 (a copy of said brief is attached hereto as Appendix A).

21 DATED this Tuesday, September 09, 2008.

22 JENS ERIK SORENSEN, as Trustee of
23 SORENSEN RESEARCH AND DEVELOPMENT
24 TRUST, Plaintiff

25 /s/ Melody A. Kramer

26

Melody A. Kramer, Esq.

27 J. Michael Kaler

28 Attorney for Plaintiff

PROOF OF SERVICE

I, Melody A. Kramer, declare: I am and was at the time of this service working within in the County of San Diego, California. I am over the age of 18 year and not a party to the within action. My business address is the Kramer Law Office, Inc., 9930 Mesa Rim Road, Suite 1600, San Diego, California, 92121.

On Tuesday, September 09, 2008 I served the following documents:

**PLAINTIFF'S NOTICE OF RELIANCE ON VERBAL INSTRUCTIONS
FROM COURT CLERK RE AMENDMENT OF ORDER AT DOCKET #62**

DECLARATION OF MELODY A. KRAMER

| PERSON(S) SERVED | PARTY(IES) SERVED | METHOD OF SERVICE |
|--|-------------------|--|
| Jared Bobrow Weil, Gotshal & Manges LLP 201 Redwood Shores Parkway Redwood Shores, CA 94065 jared.bobrow@weil.com | Lexar Media, Inc. | Email--Pleadings Filed with the Court via CM/ECF |
| Kevin Kudlac Weil, Gotshal & Manges LLP 8911 Capital of Texas Highway Suite 1350 Austin, TX 78759 Kevin.kudlac@weil.com | Lexar Media, Inc. | Email--Pleadings Filed with the Court via CM/ECF |

- ☐ (Personal Service) I caused to be personally served in a sealed envelope hand-delivered to the office of counsel during regular business hours.
- ☐ (Federal Express) I deposited or caused to be deposited today with Federal Express in a sealed envelope containing a true copy of the foregoing documents with fees fully prepaid addressed to the above noted addressee for overnight delivery.
- ☐ (Facsimile) I caused a true copy of the foregoing documents to be transmitted by facsimile machine to the above noted addressees. The facsimile transmissions were reported as complete and without error.
- ☐ (Email) I emailed a true copy of the foregoing documents to an email address

1 represented to be the correct email address for the above noted addressee.

2 ☒ (Email--Pleadings Filed with the Court) Pursuant to Local Rules, I electronically filed
3 this document via the CM/ECF system for the United States District Court for the
4 Southern District of California.

5 ☐ (U.S. Mail) I mailed a true copy of the foregoing documents to a mail address
6 represented to be the correct mail address for the above noted addressee.

7 I declare that the foregoing is true and correct, and that this declaration was executed on Tuesday,
8 September 09, 2008, in San Diego, California.

9 /s/ Melody A. Kramer

10 _____
11 Melody A. Kramer
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APPENDIX A

MELODY A. KRAMER, SBN 169984
KRAMER LAW OFFICE, INC.
9930 Mesa Rim Road, Suite 1600
San Diego, California 92121
Telephone (858) 362-3150
mak@kramerlawip.com

J. MICHAEL KALER, SBN 158296
KALER LAW OFFICES
9930 Mesa Rim Road, Suite 200
San Diego, California 92121
Telephone (858) 362-3151
michael@kalerlaw.com

Attorneys for Plaintiff JENS ERIK SORENSEN,
as Trustee of SORENSEN RESEARCH AND
DEVELOPMENT TRUST

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

| | | |
|----|-----------------------------------|---|
| 18 | JENS ERIK SORENSEN, as Trustee of |) Case No. 08 cv 00095 JW |
| 19 | SORENSEN RESEARCH AND |) |
| 20 | DEVELOPMENT TRUST, |) PLAINTIFF'S RESPONSE TO |
| 21 | Plaintiff |) DEFENDANT'S SUPPLEMENTAL |
| 22 | v. |) BRIEF ON PLAINTIFF'S MOTION |
| 23 | LEXAR MEDIA, INC., a Delaware |) FOR APPLICATION OF 35 U.S.C. § |
| 24 | Corporation; and DOES 1 – 100, |) 295 PRESUMPTION OF |
| 25 | Defendants. |) INFRINGEMENT |
| 26 | and related counterclaims. |) Date: September 8, 2008 |
| 27 | |) Time: 9:00 A.M. |
| 28 | |) Courtroom 8, 4 th Floor |
| | |) Judge: The Hon. James Ware |
| | |) |
| | |) |

1 Plaintiff provides the following additional supplemental briefing on Plaintiff's
2 35 U.S.C. § 295 motion as explained in PLAINTIFF'S NOTICE OF RELIANCE
3 ON VERBAL INSTRUCTIONS FROM COURT CLERK RE AMENDMENT OF
4 ORDER AT DOCKET #62. In keeping with the spirit of the Order at Docket #62,
5 Plaintiff is only responding to Defendant's supplemental briefing filed at Docket #54
6 on August 29, 2008, and not to Defendant's further briefing on the matter filed on
7 September 8, 2008, to which Plaintiff objects.

8 **SUMMARY OF RESPONSE**

9 Lexar's supplemental briefing (Docket #54, hereinafter "Lexar Supp")
10 provides additional support for application of the 35 U.S.C. § 295 presumption of
11 infringement against Defendant Lexar. Specifically, Defendant acknowledges in
12 detail that the companies in actual possession of the manufacturing process are
13 located outside of the jurisdiction of United States courts, thus making it impossible
14 for Plaintiff to conduct plant inspections, depositions, or other compulsory discovery
15 against them. Additionally, Defendant acknowledges the existence of one lately
16 revealed United States manufacturer, however, provides no explanation of why that
17 company has been hidden for so long or why Defendant cannot produce evidence
18 from them.

19 **ARGUMENT**

20
21 I. DEFENDANT CONFIRMS THAT ITS MANUFACTURERS (WITH ONE
22 EXCEPTION) ARE LOCATED OUTSIDE OF THE JURISDICTION OF
23 UNITED STATES COURTS AND OUTSIDE THE REACH OF
24 COMPULSORY DISCOVERY PROCESSES.

25 Lexar's Supplemental Brief confirms that the actual manufacturers of the
26 Accused Products are two or three steps removed from Lexar, and (with the
27 exception of Fourté which will be discussed separately) outside of the jurisdiction of
28 United States courts. Using Lexar's supplemental brief, interposed with discovery

1 already received by Plaintiff, the picture of the manufacture and supply chain for the
2 Accused Products is emerging as follows:

3 1. Lexar contracted with PC Partners to assemble the Accused Products.
4 (Supp. Brief, page 2:2-3).

5 2. PC Partners is a Taiwanese company. *Kramer Decl.* ¶ 10.

6 3. PC Partners “subcontracted out the manufacture . . .” (Supp. Brief, page
7 2:3-4).

8 4. Two of those manufacturers – AMCO and ATG – in turn either
9 manufactured the housing or hired yet another company to actually produce the
10 housing.

11 5. AMCO and ATG have Taiwanese and mainland China addresses; it is
12 unclear where the Accused Products are actually manufactured or by whom. *Kramer*
13 *Decl.* ¶ 11.

14 6. Late-named additional manufacturers – Summlux Co., Ltd. and Nishoku
15 Plastic Mold (Shenzhen) Co., Ltd. – are located in China or Taiwan. *Kramer Decl.*
16 *[to Plaintiff’s Supplemental Brief]*, at Docket #58-4, ¶ 10, Exhibit G.

17 7. No address has been provided for the additional late-named
18 manufacturer - Uni Power Technologies, Ltd. *Id.*

19 In order for Plaintiff to have actual manufacturing information – admissible
20 evidence to present to the Court as part of its infringement case – Plaintiff needs to
21 have first-hand evidence and testimony regarding the process. Plaintiff cannot
22 compel such evidence when it is all outside of the United States, and can only get
23 second-, third-, or fourth-hand information from the Defendant, a Defendant who has
24 no motivation to be complete and forthright.

25 Defendant’s claim that Plaintiff has “more than enough evidence to determine
26 the process used to make the housing” is flat-out false. Plaintiff has nothing but
27 hearsay representations from Lexar, and Lexar’s willful misstatements to Plaintiff
28 about the representations from its manufacturers have already been demonstrated on

1 the record.

2 As described in more detail in Plaintiff's Supplemental Brief, in pre-litigation
3 discussion, Plaintiff's counsel made a specific technical inquiry regarding a portion
4 of the manufacturing process. In two letters, Lexar's counsel unequivocally stated
5 that "both suppliers," (presumably ATG and AMCO) "categorically indicates that
6 the entirety [of the inquiry] is true . . . confirming no possible infringement."

7 That representation from Lexar was "categorically" false. Prior to those
8 letters, in at least two documented communications between Lexar and AMCO,
9 AMCO made an entirely contrary representation on this technical question. Lexar's
10 falsity on this point continued through its first response to Interrogatory No. 9 which
11 was verified under oath.

12 The fact that Lexar finally came clean on this technical issue hardly makes
13 them reliable witnesses, even if it were not for the inadmissibility of hearsay
14 evidence.

15 Defendant's confirmation that the actual manufacturing process information is
16 outside of the jurisdiction of U.S. courts and outside of the reach of compulsory
17 discovery processes of this case, provides strong additional support for application of
18 the presumption of infringement.

19 **II. DUE TO THE CONTINUED MISREPRESENTATIONS ABOUT THE**
20 **EXISTENCE OF A U.S. MANUFACTURER – FOURTÉ – THE**
21 **APPLICATION OF PRESUMPTION OF INFRINGEMENT SHOULD**
22 **ALSO ATTACH.**

23 Lexar's counsel may have only recently learned that a U.S. supplier was used
24 for manufacture of the Accused Products, a fact Lexar has been fully aware of for all
25 of the three plus years that the parties have been discussing the infringement
26 allegations.

27 According to document production from Lexar, Fourté was the company with
28 whom Lexar worked to originally develop both the product design and mold tooling

1 for the Accused Products, and at least two Lexar employees who dealt with Fourté
2 are still in employ with Lexar – Jeff Chalmers and Ezequiel Ramirez. *Kramer Decl.*
3 ¶ 12.

4 There is no evidence that Lexar or Lexar’s counsel has even communicated
5 with Fourté regarding this issue, and thus its representations about actual
6 manufacturing process for this manufacturing rings hollow.

7 The document production that first disclosed Fourté’s identity was made nine
8 days prior to the August 29th briefing deadline – in other words, just in time to claim
9 they had produced information, but just precluding the necessary 10-day deadline for
10 a deposition subpoena. Plaintiff has since issued a subpoena to Fourté, but should
11 not be required to continue to maintain the burden of proof of infringement because
12 of the lengthy misrepresentation of the existence of this company and the
13 concurrently likelihood that evidence as to this company may no longer be available.

14 Lexar erroneously asserts that 35 U.S.C. §295 does not apply to products
15 manufactured within the United States. Lexar derives this erroneous belief from a
16 quote from the early legislative history, at a time when the draft statute expressly
17 limited its impact to foreign manufacturers. The final draft eliminated that
18 restriction, apparently because of concern that it was in violation of certain U.S.
19 trade treaties. In addition to the absence of limiting language in the adopted version
20 of the statute, it is illustrated in a later portion of the legislative history, where it is
21 noted that: “A reasonable effort requirement could be easily satisfied in the United
22 States through our discovery procedures. For a foreign manufacturer, the patentee
23 would have to take some reasonable step, such as writing to the manufacturer.”
24 *Chisum on Patents*, (1997) Appendix 25, Legislative History of the Process Patents
25 Amendments Act of 1988, p. 38.

26
27
28 III. DEFENDANT ACKNOWLEDGES ITS SUPERIOR ACCESS TO

1 MANUFACTURING PROCESS INFORMATION, BUT HAS NOT
2 TURNED OVER EVERYTHING IT HAS.

3 Lexar's Supp states that "with respect to foreign manufacturers, AMCO and
4 ATG, Lexar has collected documents from the manufacturers, interviewed
5 individuals at the manufacturers with knowledge of the process used to make the
6 housing, and visited manufacturing facilities and inspected tooling used by the
7 manufacturers to make the housing." (Lexar Supp. page 2:10-14). In other words,
8 Lexar has conducted investigations that Plaintiff is unable to compel.

9 Lexar did not offer any declaration or testimony from whomever supposedly
10 conducted these interviews or visited manufacturing facilities. Furthermore,
11 although Lexar tries to waive a last-minute offer for Plaintiff to travel to Taiwan to
12 view a single mold tooling over the Labor Day weekend as "cooperation," Lexar is
13 strangely silent about any access to Plaintiff of any of these other claimed sources of
14 information to which Lexar and/or its counsel has had access.

15 Plaintiff noticed a deposition of Lexar under Fed.R.Civ.P. Rule 30(b)(6) for:

16
17 Lexar Corp's designated person(s) most knowledgeable witness with
18 regard to the topics identified in the **TOPICS FOR EXAMINATION**
below. . . .

19 **Topic Number 1:**

20 For all of the Accused Products, be able to answer detailed
21 technical questions regarding the manufacturing process utilized to form
22 the external plastic housings, including, but not limited to, questions
23 with regard to whether or not any units were manufactured utilizing two
plastic injections utilizing any common mold part for all and any time
periods from January 7, 2002 through, February 8, 2008, inclusive.

24 **Topic Number 2:**

25 For all of the Accused Products, be able to provide the
26 foundation and basis, that is, the source, of all information used to
27 answer technical questions regarding the manufacturing process utilized
28 to form the external plastic housings, including, but not limited to,
questions with regard to whether or not any units were manufactured
utilizing two plastic injections utilizing any common mold part for all
and any time periods from January 7, 2002 through, February 8, 2008,

1 inclusive. This foundational basis includes documents, witnesses,
2 personal inspections or other sources for the information to which the
3 deponent is testifying.

4 *Kramer Decl.*, ¶ 13.

5 Lexar's designated witness was only able to provide hearsay upon hearsay
6 representations about technical issues without any detail, indicating near complete
7 ignorance of injection molding technology, and without any first-hand knowledge of
8 the specific accused processes any kind. Lexar's designated witness did not
9 interview individuals at AMCO and ATG, did not visit any manufacturing facilities.
10 In fact, until two days prior to the deposition, he knew nothing about the process.

11 It goes without saying that Plaintiff is entitled, regardless of the outcome of
12 the 35 U.S.C. § 295 motion, to depose that person or those persons who conducted
13 these interviews and inspected manufacturing plants, and took the 300 or so
14 photographs that purport to show the mold tooling.

15 CONCLUSION

16 Lexar's Supplemental Briefing does nothing to support a denial of Plaintiff's
17 35 U.S.C. § 295 motion, and actually supports Plaintiff's request by demonstrating
18 superior access to information, location of information outside of the reach of
19 Plaintiff and this Court, and willful misrepresentation over the years regarding the
20 sole U.S. manufacturer.

21 At a minimum, there is no reason to preclude application of 35 U.S.C. § 295 to
22 all products manufactured offshore.

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2 DATED this Tuesday, September 09, 2008.

3 JENS ERIK SORENSEN, as Trustee of
4 SORENSEN RESEARCH AND DEVELOPMENT
5 TRUST, Plaintiff

6
7 /s./ Melody A. Kramer

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Melody A. Kramer, Esq.

9 J. Michael Kaler

10 Attorney for Plaintiff
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